GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1940
ANSWERED ON:11.12.2008
DEMAND AND SUPPLY OF LPG
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the present status of demand and supply of Liquified Petroleum Gas (LPG) for domestic, commercial and industrial use and other purposes in the country, region-wise ;

(b) the measures taken for the availability of LPG in the rural areas so far alongwith the present status in terms of number of families having access to LPG in rural areas ;

(c) the estimated demand of LPG gas in the next five years alongwith the action plan for meeting the said demand ;

(d) the dates on which the price of LPG for domestic, industrial and commercial use was increased during the last three years ; and

(e) the amount by which price per cylinder was increased on each occasion alongwith the quantity of gas supplies in each cylinder ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS(SHRI DINSHA PATEL)

(a) : At present, the indigenous production of LPG is inadequate to meet domestic requirements. The shortfall in availability is met through imports. The region-wise details of demand/actual sales in the country during the period from April, 2008 to September, 2008 are as under :

[Figures in Thousand Metric Tonnes (TMT)]

Regions	Domestic LPG	Commercial LPG	Industrial LPG	Auto LPG
North	1705.50	55.12	7.64	6.01
East	672.60	20.78	7.75	1.31
West	1308.12	94.41	67.56	22.67
South	1447.10	129.28	44.15	55.62
Total	5133.32	299.59	127.10	85.61

(b) : Government have advised Public Sector Oil Marketing Companies (OMCs) to draw up Marketing Plans for covering semi-urban and rural areas. OMCs have finalized a common industry marketing plan covering 1340 locations in the country for setting up LPG distributorships. About 78% of these distributorships will be covering rural areas. The advertisements for all the locations in the country have been released and selection for the same is in progress as per policy. As on 01.11.2008, 247.3 lakh rural customers across the country have access to LPG.

(c) : The estimated demand of LPG for the next four years in the country are as under :-

(Figures in TMT)

Year	Demand
2008-09	12100
2009-10	11700
2010-11	12200
2011-12	12800

However, the estimated demand/sales of LPG for the year 2012-13 is not available as the same has not been done beyond XI Plan Period.

The Oil Industry has reviewed the emerging conditions in the LPG sector and with the expansion of several ongoing upgradation and expansion projects, the production of LPG in the country is expected to increase to 12.8 MMT in 2011-12.

(d) & (e) : The retail selling prices of domestic LPG were revised in the last three years as under :-

Date	Price (Rs.) / 14.2 kg cylinder in Delhi.
05.11.2004	281.60
01.04.2005	294.75 (Due to VAT implementation)
05.06.2008	346.30

However, in some of the States, the increase in the rate of domestic cylinders was absorbed to some extent by the States. Accordingly, w.e.f 09.06.2008, the retail selling price of 14.2 kg domestic LPG cylinder in Delhi is Rs. 304.70.

The price of commercial LPG cylinders is reviewed every month and if needed prices are changed from 1st day of every month. There can be intermediate revision also based on revision in statutory levies like duties/taxes etc.

Domestic LPG cylinder contains 14.2 kg LPG and non-domestic cylinder for commercial use is marketed in 19 kg and 47.5 kg capacity cylinders. OMCs also market domestic LPG in 5 kg capacity cylinders to meet the demand of low income groups in urban, semi-urban and rural pockets and also extend LPG reach to hilly terrain and interior areas on account of convenience in transportation.